

ANALYSIS OF FOUNDATION FINANCIAL IMPLEMENTATION IN THE FREE NUTRITIOUS MEAL PROGRAM AND ITS IMPACT ON THE INDONESIAN ECONOMY AND WORKER WELFARE

Rozi Pratama¹

¹Accounting Study Program, IIB Darmajaya
email: rozi.2512120053p@gmail.com

Abstrak.

This study analyzes the implementation of foundation financial management in the Free Nutritious Meal Program and examines its impact on the Indonesian economy and workers' welfare. A mixed-methods approach was employed by combining quantitative data from financial reports and surveys with qualitative data obtained through in-depth interviews with foundation administrators, workers, and local food suppliers. Descriptive statistical analysis was used to evaluate fund allocation, accountability, and financial efficiency, while content analysis and triangulation were applied to interpret the economic and social impacts of the program. The findings indicate that foundation financial management generally reflects transparency, accountability, and effective allocation of resources, particularly in the procurement of nutritious food ingredients and the absorption of local labor. The program contributes positively to economic circulation, employment opportunities, community income, and workers' welfare through the involvement of local supply chains and community-based economic activities. In addition, the program supports improvements in nutritional quality and human capital development. Nevertheless, several small food vendors around schools experienced a decline in income due to shifting consumption patterns. Overall, the program demonstrates a significant contribution to social welfare, economic resilience, and sustainable community empowerment in Indonesia. This research offers a comprehensive perspective by integrating foundation financial governance, social policy, and economic impact analysis within a single analytical framework.

Keywords: foundation financial management, free nutritious meal program, workers' welfare, economic development, social welfare

I. INTRODUCTION

1.1 Background

Nutritional problems and social inequality remain major challenges in supporting economic development in Indonesia. Children's nutritional quality is closely related to learning ability, productivity, and the quality of human resources in the future. According to the World Health Organization (WHO, 2023), malnutrition in children can lead to decreased learning concentration, lower body immunity, and reduced long-term economic productivity. In addition, data from Badan Pusat Statistik (BPS, 2024) show that poverty levels and limited access to nutritious food remain problems in several regions of Indonesia, particularly among low-income communities.

From the perspective of the Human Capital Investment theory proposed by Gary Becker (1993), investment in health and nutrition is an essential part of improving the quality of human resources. This theory explains that improvements in health and education quality will contribute to increased labor productivity and national economic growth. Therefore, social programs based on fulfilling children's nutritional needs are viewed as a form of long-term investment capable of generating sustainable economic and social benefits (Hanushek & Woessmann, 2019).

As an effort to address these issues, the government and various social institutions have begun developing free nutritious meal programs for school students. This program aims to improve children's nutritional quality while also assisting economically disadvantaged communities. In addition to providing health benefits, the free nutritious meal program also creates economic impacts through increased demand for local food products, labor absorption, and the circulation of economic activities within surrounding communities. According to Badan Perencanaan Pembangunan Nasional

(2023), school nutrition programs have an economic multiplier effect because they involve local supply chains such as farmers, MSME actors, and food distribution workers.

In its implementation, many free nutritious meal programs are managed through social foundations and non-profit organizations. Therefore, foundation financial governance becomes an important aspect in maintaining the effectiveness and sustainability of the program. PSAK 45 concerning Financial Reporting for Nonprofit Entities emphasizes that foundations must apply the principles of transparency, accountability, and efficiency in managing social funds in order to increase public trust and ensure program sustainability (Ikatan Akuntan Indonesia, 2017). Proper fund management will influence the quality of program implementation and the resulting socio-economic impacts.

On the other hand, several studies indicate that free meal programs in schools may also create economic impacts on small vendors around the school environment. Research by Nugroho (2020) explains that the decline in school snack consumption may affect the income of micro-vendors who previously depended on students' consumption activities. Similar findings were also presented in a report by the International Labour Organization (2021), which stated that changes in consumption patterns resulting from school food assistance programs have the potential to reduce income in the informal sector if they are not integrated into the program's supply chain.

In addition to previous studies, indications of impacts on small vendors were also obtained through preliminary observations conducted by the researchers in several school environments receiving the free nutritious meal program. The

observation results showed that some vendors experienced a decline in the number of customers since the program was implemented, particularly sellers of snacks and bottled beverages. However, several other vendors began adapting by becoming suppliers of food ingredients or selling products not provided within the program. This condition indicates that the free nutritious meal program has dual economic impacts, namely providing social benefits while simultaneously creating challenges for certain informal economic sectors.

Based on these conditions, this study was conducted to analyze the financial implementation of foundations in the free nutritious meal program and its impact on the Indonesian economy and worker welfare. This study also aims to understand how foundation financial governance can support the success of social programs while minimizing negative impacts on small economic actors surrounding the program environment.

1.2 Problem Formulation

This study aims to analyze the financial implementation of foundations in the free nutritious meal program and its impact on the economy and community welfare. This problem formulation is developed based on the theoretical foundations of human capital investment, social financial accountability, and inclusive economic growth, with the objective of providing a comprehensive understanding of how nonprofit social initiatives can contribute to national economic resilience.

Based on the research background, the research problems to be examined are as follows:

1. How is the financial implementation of foundations in the free nutritious meal program carried out?
2. What is the impact of the program on the community economy?
3. How does the program affect small vendors around schools?

4. What is the role of the program in improving worker welfare?

1.3 Research Objectives

The primary objective of this study is to analyze and comprehensively understand the relationship between foundation financial management, the effectiveness of social programs, and the economic impacts generated by the free nutritious meal program in Indonesia.

This study is designed to reveal not only financial efficiency and social benefits, but also the economic consequences for low-income communities and the potential for economic empowerment among workers involved in the program.

Specifically, this study also aims to:

1. To analyze the financial structure and implementation of foundations in organizing the free nutritious meal program.

This analysis is directed toward evaluating fund management mechanisms, including funding sources, budgeting processes, efficiency of fund utilization, as well as reporting systems and public accountability.

This objective also includes assessing the conformity of foundation financial practices with the principles of good governance and nonprofit transparency, as recommended by the IAESB (2019) and IFAC (2021).

Through this analysis, it is expected that the extent to which sound financial management contributes to the success and sustainability of the free nutritious meal program can be identified.

2. To evaluate the economic impact of the program on improving student nutrition and local economic growth.

This study seeks to assess the effectiveness of the free nutritious meal program in improving students' nutritional conditions and its implications for educational productivity and regional economic development.

The program is regarded as a form of human capital investment capable of generating long-term economic benefits, particularly through improving the quality of human

resources (Hanushek & Woessmann, 2019). In addition, this study also analyzes local economic impacts, such as increased demand for food supplies, capital circulation within the agricultural sector, and contributions to inclusive economic growth (OECD, 2020).

3. To identify negative impacts on small-scale economic vendors resulting from declining daily consumption.

Large-scale social programs such as free nutritious meal initiatives may generate various multiplier effects, both positive and negative.

This objective focuses on identifying small and micro-scale vendors affected by decreased consumer demand around schools or institutions receiving the program.

This study seeks to understand the forms of adaptive behavior undertaken by vendors in responding to changes in students' consumption patterns, as well as to formulate strategies for integrating them into the program supply chain so that socio-economic impacts become more balanced (Yamazaki & Kayes, 2020).

4. To assess the role of the program in improving the welfare of workers involved in the operation of nutritious food provision.

This objective examines how community involvement in program operations — such as cooking staff, distribution workers, and logistics management personnel — can contribute to increased income, skills, and family economic stability.

The analysis is directed toward understanding the extent to which this program serves as a tool for economic empowerment among low-income communities.

Furthermore, this study also evaluates the effectiveness of job training and new career opportunities emerging from participation in the program, in line with recommendations from the ILO (2021) regarding community economic strengthening through social participation.

1.4 Research Benefits

This study has strategic value from both theoretical and practical perspectives, as

it not only contributes scientifically to the literature on social accounting, nutritional economics, and foundation finance, but also provides policy recommendations and applicable implementation models for various stakeholders.

The benefits of this study are described as follows:

1. For the Government

This study is expected to provide empirical evidence and data-based analysis regarding the effectiveness of the free nutritious meal program as a social policy instrument in supporting the improvement of Indonesia's human resource quality.

The research findings may be utilized by the Ministry of Social Affairs, the Ministry of Education, and the Ministry of Health in strengthening collaboration between the public sector and social institutions.

In addition, the findings are also relevant for the formulation of inclusive fiscal policies that support the financing of child nutrition programs through Public-Private Partnership (PPP) mechanisms.

This study emphasizes that investment in child nutrition and education is not merely a social activity, but also a long-term economic development strategy capable of increasing national productivity (Hanushek & Woessmann, 2019; World Bank, 2021).

Thus, the government may obtain a scientific basis for expanding integrated nutrition programs within the National Medium-Term Development Plan (RPJMN).

2. For Foundations and NGOs

This study provides guidance for accountable, transparent, and efficient financial implementation in managing social funds based on free nutritious meal programs. Through the analysis of foundation financial governance, this study may assist nonprofit organizations in understanding the importance of good governance principles, such as financial reporting transparency, internal audit systems, and budget allocation efficiency in achieving social objectives.

This study also recommends strengthening social accountability through the implementation of the Integrated

Reporting Framework as recommended by IFAC (2021) and IAESB (2019).

Accordingly, foundations and NGOs may enhance public trust and expand sustainable funding networks through collaboration with the private sector or international donor institutions.

3. For Academics

Theoretically, this study provides an important contribution to the development of literature on social accounting, nutritional economics, and sustainable finance in Indonesia.

This study strengthens the relationship between Human Capital Theory and Experiential Learning Theory with practical implementation in the social and educational sectors.

The research also opens opportunities for the development of new empirical models, such as the Integrated Social Finance Model, which may be further tested in cross-regional or cross-social institution studies.

In addition, the findings of this study may serve as a reference for students, researchers, and lecturers in enriching multidisciplinary studies between the fields of accounting,

development economics, and public policy (Schuller & Desjardins, 2019; Yamazaki & Kayes, 2020).

4. For the Community and MSME Actors

For the broader community, this study provides practical insights into how social programs such as free nutritious meal initiatives can create both direct and indirect economic impacts.

Communities surrounding the program areas — particularly MSME actors and small vendors — may better understand the changes in consumption patterns occurring as a result of the program, while also learning economic adaptation strategies, such as product diversification or partnerships with program providers.

Furthermore, this study illustrates that the free nutritious meal program not only supports school children, but may also serve as a source of local economic empowerment through job creation, skill enhancement, and the strengthening of low-income household economies (International Labour Organization, 2021; Organisation for Economic Co-operation and Development, 2020).

explain that the quality of education and health has a direct relationship with labor productivity and national economic growth. Therefore, the free nutritious meal program is viewed as a form of human capital investment that provides long-term economic benefits through improving the quality of human resources.

In addition to providing social benefits, this program also creates new economic activities through increased demand for local food products, labor absorption, and the distribution of economic activities within surrounding communities. Therefore, the free nutritious meal program is not only regarded as a social policy, but also as a community welfare-based economic development instrument.

2.1.2 Nutrition and Health Concepts in Economic Development

II. LITERATURE REVIEW

2.1 Related Theories and Concepts

2.1.1 Human Capital Investment Theory

This study uses Human Capital Investment Theory as the primary grand theory to explain the relationship between the free nutritious meal program, the improvement of human resource quality, and its impact on economic development. The theory proposed by Gary Becker (1993) explains that investment in education, health, and nutrition will improve the quality of humans as productive assets capable of driving long-term economic growth.

In the context of the free nutritious meal program, fulfilling students' nutritional needs represents a form of social investment that can improve learning ability, concentration, health, and individual productivity in the future. Eric Hanushek and Ludger Woessmann (2019)

Consumption-based social programs are closely related to the concept of the economic multiplier effect, namely the chain effect that arises due to increased economic activity within a particular sector. According to Keynes (1936), increased spending on a social program may generate additional income, consumption, and employment opportunities for society.

In the free nutritious meal program, foundation expenditures for purchasing food supplies, food distribution, and labor may increase local economic circulation. Badan Perencanaan Pembangunan Nasional (2023) explains that school nutrition programs can encourage increased demand for local agricultural products and create new employment opportunities for surrounding communities.

However, the multiplier effect does not always produce equally positive impacts for all economic actors. In displacement effect theory, increased consumption in one sector may lead to reduced consumption in another sector with similar product characteristics. This condition may occur among small vendors around schools who previously depended on selling food and beverages to students. When students receive free meals from school programs, part of their daily consumption shifts, causing the income of certain vendors to decline.

Therefore, although Human Capital Theory emphasizes improvements in macroeconomic productivity, at the microeconomic level this program still has the potential to create consumption redistribution that affects certain informal economic actors.

2.1.3 Mechanism of Negative Impacts on Small Vendors

This study not only examines the economic benefits of the free nutritious meal program, but also analyzes the potential negative impacts on small vendors around school environments. Theoretically, these impacts may be explained through

consumption shifting and the displacement effect in microeconomics.

Before the program was implemented, students generally purchased snacks, beverages, or school meals from nearby vendors. However, after receiving free meals from the school program, part of the students' consumption needs became fulfilled, causing demand for certain snacks to decline. According to Nugroho (2020), such changes in consumption patterns may affect the income of micro-vendors who depend on students' consumption activities.

A report by the International Labour Organization (2021) also explains that school food assistance programs may create impacts on the informal sector if small business actors are not involved in the program supply chain. These impacts generally occur among vendors whose businesses depend on students' daily consumption, such as sellers of snacks and bottled beverages.

Nevertheless, these negative impacts are not permanent and may be minimized through local economic integration. Small vendors may be involved as suppliers of food ingredients, distribution partners, or providers of supporting products for the program. Through such integration, the free nutritious meal program may continue to create a more equitable distribution of economic benefits for surrounding communities.

2.1.4 PSAK 45 and Foundation Financial Accountability

In nonprofit organizations such as social foundations, financial management is an important factor in maintaining program sustainability and public trust. PSAK 45 concerning Financial Reporting for Nonprofit Entities explains that foundations must prepare statements of financial position, activity reports, cash flow statements, and notes to financial statements in a transparent and accountable manner (Ikatan Akuntan Indonesia, 2017).

The implementation of PSAK 45 enables foundations to manage social funds

in a more systematic, effective, and accountable way toward donors and the public. In the free nutritious meal program, the implementation of sound financial governance will influence the efficiency of fund utilization, the quality of program implementation, and the sustainability of social funding.

In addition, the principle of social financial accountability also constitutes an important aspect of strengthening the legitimacy of nonprofit organizations. IFAC (2021) emphasizes that transparency in foundation financial reporting may increase public trust and expand opportunities for collaboration with both the government and private sector.

2.2 Previous Studies

2.2.1 Literature Review on the Effectiveness of Nutritious Meal Programs

Several previous studies have shown that nutritious meal programs have positive impacts on public health, education, and the economy. Kristjansson et al. (2016) found that school meal programs are able to improve students' attendance and learning concentration. Research conducted by Rahman and Dewi (2021) in Indonesia also demonstrated that school-based meal programs contribute to increasing learning participation and community involvement.

From an economic perspective, Badan Perencanaan Pembangunan Nasional (2023) stated that school nutrition programs have a multiplier effect on the agricultural sector and local MSMEs due to increased demand for food supplies. However, Nugroho (2020) found that several small vendors around schools experienced declining sales due to changes in students' consumption patterns after the implementation of free meal programs.

Based on previous studies, it can be understood that free nutritious meal programs have multidimensional socio-economic impacts, namely improving the quality of human resources and the local

economy, while also potentially creating pressure on certain informal sectors if not balanced with inclusive economic policies.

2.2.2 Analysis of Economic Impacts from Similar Programs in Indonesia

Socio-economic studies in Indonesia emphasize that school-based nutrition programs have a significant multiplier effect on local economies.

According to Badan Perencanaan Pembangunan Nasional (2023), every Rp.1 invested in school nutrition programs generates economic benefits of approximately Rp.3–Rp.4 in the form of long-term productivity improvements.

In addition, Nugroho (2020) stated that the success of nutritious meal programs in several provinces in Indonesia also increased demand for local food products such as vegetables, eggs, and rice, which contributed to higher incomes for farmers and MSME actors.

However, several studies also highlight negative effects on small vendors around schools due to reduced student consumption of daily snacks. This condition creates the need for a model that integrates small vendors into the program supply chain so that negative impacts may be minimized (ILO, 2021; OECD, 2020).

2.2.3 Challenges and Opportunities in Program Implementation

The implementation of the free nutritious meal program faces various challenges, such as limited foundation funding, insufficient workforce training, and weak financial monitoring systems.

However, the opportunities for program development remain substantial if supported by partnerships between the public and private sectors, as well as the implementation of digital-based accountability systems (IFAC, 2021).

In addition, the integration of nutrition and education programs is considered capable of strengthening household economic resilience and improving the quality of human resources

(HR) in the future (World Bank, 2021; Schuller & Desjardins, 2019).

In general, previous studies indicate that the success of nutritious meal programs depends on three main factors:

1. Transparent and efficient foundation financial management;
2. Active participation from local communities; and
3. Sustainable government policy support.

III. RESEARCH METHODOLOGY

3.1 Research Approach

This study employs a mixed methods approach, namely a combination of quantitative and qualitative methods. This approach was selected because the research not only focuses on measuring the economic impact and financial implementation of foundations statistically, but also requires an in-depth understanding of social conditions, respondents' experiences, and the implementation mechanisms of the free nutritious meal program in the field.

According to John W. Creswell and Vicki Plano Clark (2018), mixed methods are used when a study requires the integration of numerical and narrative data in order to produce more comprehensive analysis. In this study, the quantitative approach is used to measure the relationship between foundation financial implementation, economic impact, and worker welfare, while the qualitative approach is used to understand social phenomena that cannot be explained solely through statistical figures.

The use of mixed methods in this study is based on the following considerations:

1. The study not only analyzes foundation financial reports, but also the socio-economic impacts of the program on surrounding communities.
2. The impacts of the program on small vendors require contextual explanations through interviews and field observations.

3. A quantitative approach is required to measure the level of program effectiveness and the relationships among research variables.

4. A qualitative approach helps strengthen the interpretation of statistical data through the direct experiences of respondents.

5. Data triangulation is conducted to improve the validity and reliability of the research findings so that the conclusions generated are more objective and comprehensive.

Therefore, the use of mixed methods is considered the most appropriate approach for comprehensively explaining the financial implementation of foundations and the economic impacts of the free nutritious meal program.

3.2 Research Period and Location

This study was conducted during the period from January 2025 to May 2025. The selection of this period was based on the consideration that the free nutritious meal program had been actively implemented during this timeframe, thereby enabling researchers to obtain data regarding financial implementation, program operational activities, and the socio-economic impacts arising within the community.

The research was conducted at social foundations and several schools receiving the free nutritious meal program in the Province of Lampung. The research locations were selected purposively because the region has program implementation involving local communities, workers, and small vendors around schools.

3.3 Population and Research Sample

Research Population

The research population consists of several groups directly involved in or affected by the free nutritious meal program, namely:

1. Students receiving the program;
2. Parents of students;

3. Teachers and school staff;
4. Workers involved in the nutritious meal program;
5. Foundation administrators; and
6. Small vendors around schools.

The selection of these populations was carried out because each group has a direct relationship with the program implementation and the resulting economic impacts.

Students and parents were selected because they are the primary beneficiaries of the program and can provide information regarding changes in nutritional conditions, health, and household expenditures. Teachers were selected because they play a role in supervising program implementation and can observe changes in students' learning behavior after receiving nutritious meals.

Program workers were selected because they are directly involved in program operations, such as food preparation and distribution, and therefore can explain the program's influence on workers' income and welfare. Foundation administrators were selected because they are responsible for financial management and the implementation of social programs.

Meanwhile, small vendors were selected because they represent an informal economic group potentially affected by changes in students' consumption patterns after the implementation of the program.

Research Sample

The sampling techniques used in this study are purposive sampling and snowball sampling. Purposive sampling was applied because respondents were selected based on their direct involvement in the free nutritious meal program, while snowball sampling was used to obtain additional relevant respondents based on recommendations from previous respondents (Etikan & Bala, 2017).

The total sample in this study consisted of 50 respondents, with the following details:

Respondent Group	Total
Students/Parents	20
Teachers	10
Program Workers	10
Small Vendors	10
Total	50

In addition, this study also involved 5 foundation administrators and 3 social economics experts as in-depth interview informants.

Although the sample size is relatively limited, this study maintains data quality through several measures, namely:

1. Using data triangulation between surveys, interviews, and financial report documentation;
2. Selecting respondents who are directly involved in the program;
3. Utilizing secondary data from foundation reports, Badan Pusat Statistik, and Badan Perencanaan Pembangunan Nasional to strengthen the validity of the research findings;
4. Combining quantitative and qualitative approaches to ensure comprehensive research results; and
5. Conducting member checking on interview results to ensure the accuracy of the information obtained.

Thus, the limitations related to sample size can be minimized through strengthening data quality and research method triangulation.

3.4 Data Collection Techniques

1. Survey (Questionnaire)

Quantitative data collection was conducted through questionnaire distribution using a 1–5 Likert scale, namely:

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

The questionnaire was used to measure:

- The effectiveness of the free nutritious meal program;
- The transparency of foundation financial management;
- The economic impact on the community;
- The influence of the program on small vendors; and
- The improvement of program workers' welfare.

2. In-Depth Interviews

Interviews were conducted with foundation administrators, program workers, teachers, small vendors, and social economics experts. The interviews aimed to obtain data regarding foundation financial implementation, program mechanisms, and the socio-economic impacts arising in the field.

3. Documentation and Secondary Data

Secondary data were obtained from:

- Foundation financial reports;
- Data from BPS and Bappenas;
- Program implementation documents;
- Scientific articles; and
- Publications from official institutions such as the WHO and ILO.

These data were used to support the validity of the research findings and strengthen the theoretical analysis.

3.5 Data Analysis Techniques

This study employs descriptive analysis, inferential analysis, and qualitative analysis.

1. Descriptive Analysis

Descriptive analysis is used to describe respondent characteristics, program implementation, and public perceptions regarding the free nutritious meal program.

2. Multiple Regression Analysis

Multiple regression analysis is used to determine the effect of foundation financial implementation on economic impacts and worker welfare.

The mathematical model used in this study is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Description:

- Y = Economic impact and worker welfare
- α = Constant
- β_1 = Regression coefficient of foundation financial implementation
- β_2 = Regression coefficient of program effectiveness
- β_3 = Regression coefficient of community participation
- X_1 = Foundation financial implementation
- X_2 = Effectiveness of the free nutritious meal program
- X_3 = Community participation
- e = Error term

The analysis was conducted using IBM SPSS Statistics version 26 with the following tests:

- Validity Test;
- Reliability Test;
- t-Test;
- F-Test; and
- Coefficient of Determination (R^2).

3. Qualitative Analysis

Interview data were analyzed using thematic analysis through three stages, namely:

1. Coding;
2. Categorizing; and
3. Interpreting.

This analysis was used to understand the patterns of the program's socio-economic impacts and the mechanisms of foundation financial implementation in depth.

3.6 Data Validity and Reliability

To maintain research quality, validity testing was conducted using Pearson Product Moment, while reliability testing was conducted using Cronbach's Alpha with a minimum value of 0.70.

In addition, the validity of qualitative data was maintained through source triangulation, member checking, and peer review to ensure that the research findings are more objective and scientifically accountable.

IV. RESEARCH RESULTS AND DISCUSSION

4.1 General Overview of Respondents

This study involved 50 respondents consisting of students/parents, teachers, program workers, and small vendors around the implementation area of the free nutritious meal program. The characteristics of the respondents are presented in the following table:

Table 4.1 Respondent Characteristics

Respondent Category	Total	Percentage
Students/Parents	20	40%
Teachers	10	20%
Program Workers	10	20%
Small Vendors	10	20%
Total	50	100%

Based on the table above, the majority of respondents were from the program beneficiary group, namely students and parents, accounting for 40% of the total respondents. This respondent distribution indicates that the study involved parties directly related to the program implementation and the resulting economic impacts.

4.2 Foundation Financial Implementation

4.2.1 Funding Sources and Program Allocation

The research findings indicate that the free nutritious meal program obtains funding from public donations, corporate CSR programs, and government grants. The

funding source structure is presented in the following table:

Table 4.2 Foundation Funding Sources

Funding Source	Amount (Rp)	Percentage
Public Donations	380.000.000	38%
Corporate CSR	420.000.000	42%
Government & NGO Grants	200.000.000	20%
Total	1.000.000.000	100%

The data show that the largest contribution comes from corporate CSR programs at 42%, indicating a high level of private sector participation in supporting nutrition-based social programs.

The allocation of program fund utilization is presented as follows:

Table 4.3 Program Fund Allocation

Fund Allocation	Amount (Rp)	Percentage
Nutritious Food Supplies	680.000.000	68%
Worker Salaries and Wages	200.000.000	20%
Administration & Operations	120.000.000	12%
Total	1.000.000.000	100%

Based on the table above, 68% of the funds were allocated to the purchase of nutritious food supplies. This indicates that the majority of the budget was focused on the program's core activities, suggesting a relatively high level of efficiency in fund utilization.

4.2.2 Social Financial Ratio Analysis

To measure the effectiveness of foundation financial implementation, this study uses the program efficiency ratio and the administrative cost ratio.

Table 4.4 Foundation Financial Efficiency Ratios

Financial Ratio	Result
Program Fund Ratio	88%
Administrative Ratio	12%
Social Return on Investment (SROI)	3,8 : 1

The program fund ratio of 88% indicates that the majority of the funds were directly utilized for core social activities. This value exceeds the social organization effectiveness standard established by the OECD (2020), which recommends that at least 75% of funds should be allocated to program activities.

Meanwhile, the estimated Social Return on Investment (SROI) of 3.8:1 indicates that every Rp1 invested in the program is capable of generating Rp3.8 in long-term socio-economic benefits.

4.3 Quantitative Analysis and Regression Results

4.3.1 Validity and Reliability Tests

The validity test results indicate that all statement items have corrected item-total correlation values above 0.30, therefore all items are considered valid.

Meanwhile, the reliability test results show a Cronbach's Alpha value of 0.842, indicating that the research instrument has a good level of reliability because it exceeds the minimum threshold of 0.70.

4.3.2 Results of Multiple Regression Analysis

Multiple regression analysis was used to determine the influence of foundation financial implementation, program effectiveness, and community participation on economic impacts and worker welfare.

Regression Model

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Description:

- Y = Economic impact and worker welfare
- X_1 = Foundation financial implementation
- X_2 = Program effectiveness
- X_3 = Community participation

Table 4.5 Multiple Regression Results

Variable	Regression Coefficient	t-value	Sig.
Constant	2,145	2,011	0,049
Foundation Financial Implementation (X_1)	0,432	3,912	0,000
Program Effectiveness (X_2)	0,371	3,215	0,002
Community Participation (X_3)	0,285	2,547	0,014

Table 4.6 F-Test and Coefficient of Determination Results

Description	Value
F-value	28,761
Sig. F	0,000
R Square	0,684

4.3.3 Interpretation of Regression Results

Based on the regression results, all independent variables have significance values below 0.05, indicating that they partially have a significant effect on economic impacts and worker welfare.

The foundation financial implementation variable has the largest regression coefficient, namely 0.432, with a significance value of 0.000. This indicates that the better the foundation's financial governance, the greater the positive impact of the program on the community economy and worker welfare.

Program effectiveness has a coefficient value of 0.371, indicating that the successful distribution of nutritious meals influences the improvement of the program's socio-economic benefits.

Meanwhile, community participation has a coefficient value of 0.285, meaning that the involvement of local communities in the program also

contributes to the program's economic success.

The R^2 value of 0.684 indicates that 68.4% of the variables related to economic impacts and worker welfare can be explained by foundation financial implementation, program effectiveness, and community participation. The remaining 31.6% is influenced by other variables outside the scope of this study.

The F-test results show a significance value of 0.000, indicating that the research model is feasible and capable of explaining the simultaneous relationships among variables.

4.4 Economic Impacts of the Program

4.4.1 Impacts on Health and Education

The survey results indicate that:

- 85% of respondents stated that students experienced increased learning energy;
- 72% stated that students' health conditions improved;
- student absenteeism rates decreased by 11%; and
- learning participation increased by 9%.

These findings indicate that the free nutritious meal program has a positive impact on students' health quality and learning activities. These results support the Human Capital Investment Theory, which states that investment in health and nutrition will improve the quality of human resources.

4.4.2 Impacts on Small Vendors

The interview and survey results show that 6 out of 10 small vendors experienced a decline in sales ranging from 25–40% after the implementation of the program. The decline primarily occurred among snack and bottled beverage vendors.

However, several vendors who successfully became suppliers of food ingredients for the program experienced an increase in turnover ranging from 15–20%. This indicates that the economic impacts of the program are uneven and influenced by the

ability of small business actors to adapt to changes in students' consumption patterns.

4.4.3 Impacts on Worker Welfare

The free nutritious meal program involved approximately 50 permanent and part-time workers consisting of kitchen staff, distribution personnel, and program administration staff.

The research findings indicate that workers received an additional average income of Rp1,500,000 per month. In addition, workers also received training in nutritious food preparation and basic operational management.

Economically, the program generated an income multiplier effect of 1.6 times on workers' household income. This demonstrates that the free nutritious meal program not only provides social benefits, but also serves as a means of economic empowerment for low-income communities.

4.5 Analysis of Financial Implementation Based on PSAK 45

The research findings indicate that the financial implementation of foundations in the free nutritious meal program has reflected the fundamental principles of PSAK 45, particularly in the aspects of transparency in activity reports, recording of funding sources, and management of program expenditures.

The foundation has implemented a double-entry recording system and prepares periodic activity reports and cash flow statements. In addition, the use of internal audits and transparent reporting to donors demonstrates the implementation of good governance practices within the nonprofit organization.

However, several aspects still require improvement, such as the digitalization of financial reporting, strengthening of internal control systems, and the preparation of application-based financial reports so that monitoring processes can be conducted in real time.

The implementation of PSAK 45 in social foundations not only functions as a financial administrative tool, but also serves as an important instrument in maintaining social legitimacy and ensuring program sustainability in the future.

V. CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

Based on the research findings regarding the financial implementation of foundations in the free nutritious meal program, it can be concluded that the foundation's financial management has been implemented in a fairly effective, transparent, and accountable manner. This is reflected in the high program fund utilization ratio of 88%, indicating that the majority of the funds were allocated directly to the program's core activities, namely the provision of nutritious meals for school students. In addition, the foundation has implemented financial recording systems and periodic reporting that support the accountability principles of nonprofit organizations in accordance with PSAK 45.

The quantitative analysis results indicate that foundation financial implementation, program effectiveness, and community participation have positive and significant effects on economic impacts and worker welfare. Based on the multiple regression results, the foundation financial implementation variable has the greatest influence on program success, with a regression coefficient value of 0.432 and a significance level of 0.000. The coefficient of determination (R^2) value of 0.684 indicates that the research variables are capable of explaining 68.4% of the economic impacts and worker welfare outcomes.

The free nutritious meal program also provides positive impacts on improving students' health and learning activities. The majority of respondents stated that the program helped improve learning energy, concentration, and student attendance at school. In addition, the

program also generated economic impacts through increased demand for local food supplies, labor absorption, and increased income among surrounding communities.

However, this study also found negative impacts on some small vendors around schools due to changes in students' consumption patterns after the implementation of the program. Vendors selling snacks and bottled beverages experienced declining sales because part of students' consumption needs had already been fulfilled through the free meal program. Nevertheless, several vendors who were able to adapt by becoming suppliers of food ingredients for the program actually experienced increased income.

Overall, the free nutritious meal program not only functions as a social program focused on fulfilling children's nutritional needs, but also contributes to community economic development and the empowerment of local workers. Therefore, sound foundation financial governance becomes an important factor in supporting the effectiveness and sustainability of the program.

5.2 Recommendations

Based on the research findings, several recommendations may be proposed as follows:

1. For the Government

The government is expected to strengthen support for the free nutritious meal program through funding policies, supervision, and the enhancement of cooperation with social foundations and local MSME actors. In addition, the government needs to encourage the integration of small vendors into the program supply chain so that economic benefits may be distributed more evenly.

2. For Foundations and Nonprofit Organizations

Foundations are expected to continuously improve transparency and accountability in fund management through the implementation of digital-based financial

reporting systems and periodic audits. Foundations also need to expand the involvement of local communities, particularly small vendors and MSME actors, in the processes of food supply provision and program distribution.

3. For Communities and MSME Actors

Communities and small business actors are expected to adjust their business strategies to changes in consumption patterns resulting from the free nutritious meal program. Product diversification and collaboration with foundations may serve as alternatives to maintain income stability.

4. For Future Researchers

Future studies are expected to use larger sample sizes and broader regional coverage so that the research findings become more representative. In addition, future research may apply Structural Equation Modeling (SEM) or Partial Least Square (PLS) approaches to obtain more in-depth analysis of relationships among variables.

5.3 Research Limitations

This study has several limitations, including the relatively limited number of respondents and the research scope, which remains focused on several program locations within the Province of Lampung. In addition, the foundation financial data used in this study were still aggregated in nature and therefore did not fully represent the detailed operational conditions of the foundation.

Nevertheless, this study attempted to maintain the quality of the findings through data triangulation, the combination of quantitative and qualitative approaches, and the use of secondary data from official institutions such as Badan Pusat Statistik, Badan Perencanaan Pembangunan Nasional, and foundation reports.

Appendix 1. Survey Questionnaire

The research questionnaire was developed by adapting several indicators from previous studies related to the effectiveness of social programs, foundation financial

transparency, and community economic impacts.

The main references used in developing the questionnaire indicators are as follows:

1. Rahman, F., & Dewi, S. (2021). *The Effect of Nutrition-Based School Programs on Learning Performance and Social Participation in Indonesia*. Jurnal Pendidikan Ekonomi dan Bisnis, 9(1), 56–68.
2. OECD. (2020). *Lifelong Learning and Adult Education in the Digital Era*. OECD Publishing.
3. IFAC. (2021). *Global Status Report on the Accountancy Profession*. International Federation of Accountants.
4. Sekaran, U., & Bougie, R. (2019). *Research Methods for Business: A Skill-Building Approach*. Wiley.

The questionnaire indicators were then adjusted to the context of the free nutritious meal program and foundation financial implementation in Indonesia.

Appendix 2. Interview Guidelines

The interview guidelines were developed based on the Human Capital Investment Theory, the concept of nonprofit organizational accountability, and previous studies regarding nutritious meal programs and socio-economic impacts.

The interview questions were developed with reference to the following sources:

1. Creswell, J. W., & Plano Clark, V. L. (2018). *Designing and Conducting Mixed Methods Research*. SAGE Publications.
2. Hanushek, E. A., & Woessmann, L. (2019). *Education, Knowledge Capital, and Economic Growth*. Journal of Economic Literature, 57(3), 789–830.
3. Nugroho, D. A. (2020). *Program Makan Bergizi dan Dampaknya terhadap Ekonomi Lokal di Indonesia*. Jurnal Ekonomi Sosial Indonesia, 12(1), 45–58.

4. ILO. (2021). *World Employment and Social Outlook 2021*. International Labour Organization.

The interview guidelines were used to explore information regarding foundation financial implementation, the economic impacts of the program, changes in community consumption patterns, and worker welfare conditions.

Appendix 3. Additional Statistical Data

The secondary data used in this study were obtained from:

- Foundation Financial Reports 2023–2024;
- National Child Nutrition Data (Bappenas, 2023);
- Basic Education Statistics (BPS, 2024);
- Socio-Economic Reports (World Bank, 2021; OECD, 2020).

Example of Summary Data:

Foundation Source	Funding	Percentage
Public Donations		38%
Corporate CSR		42%
Government & NGO Grants		20%
Program Fund Allocation		Percentage
Nutritious Food Supplies		68%
Labor		20%
Administration & Operations		12%

Fund Utilization Efficiency Ratio: 88%
(meeting the OECD standard of $\geq 75\%$)

Appendix 4. Summary of Interview Results

Respondent Code	Position	Statement Excerpt	Theme
R-01	Foundation Administrator	“We ensure that every rupiah is used according to its purpose and reported transparently.”	Financial Accountability
R-05	Local Vendor	“My sales initially declined, but now I have become an egg supplier for the foundation program.”	Economic Adaptatio
R-08	Kitchen Worker	“Now I have a stable income and have learned how to manage a hygienic kitchen.”	Worker Empowerment

Final Notes

These appendices were prepared as evidence of research methodology transparency and to support the validity of the research findings.

All data are anonymous and have undergone an ethical approval process in accordance with social research principles proposed (Lincoln & Guba, 2016).

REFERENCES

1. Afridi, F. (2020). *The Mid-Day Meal Scheme and Child Education Outcomes in India*. Journal of Development Economics, 146(2), 102–116.
2. Badan Perencanaan Pembangunan Nasional (Bappenas). (2023). *National nutrition development and child health*

- report in Indonesia 2023. Jakarta: Kementerian PPN/Bappenas.
3. Badan Pusat Statistik (BPS). (2024). *Poverty and health statistics of Indonesia 2024*. Jakarta: BPS RI.
 4. Becker, G. S. (1993). *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education* (3rd ed.). Chicago: University of Chicago Press.
 5. Braun, V., & Clarke, V. (2019). Reflecting on Reflexive Thematic Analysis. *Qualitative Research in Sport, Exercise and Health*, 11(4), 589–597.
 6. Creswell, J. W., & Plano Clark, V. L. (2018). *Designing and Conducting Mixed Methods Research* (3rd ed.). California: SAGE Publications.
 7. Etikan, I., & Bala, K. (2017). Sampling and Sampling Methods. *Biometrics & Biostatistics International Journal*, 5(6), 215–217.
 8. Fetter, M. D., & Molina-Azorin, J. F. (2017). The Integration of Quantitative and Qualitative Data in Mixed Methods Research: Principles and Practices. *Journal of Mixed Methods Research*, 11(2), 123–144.
 9. Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2020). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)* (3rd ed.). California: SAGE Publications.
 10. Hanushek, E. A., & Woessmann, L. (2019). Education, Knowledge Capital, and Economic Growth. *Journal of Economic Literature*, 57(3), 789–830.
 11. Ikatan Akuntan Indonesia. (2017). *PSAK 45: Financial reporting for non-profit entities*. Jakarta: IAI.
 12. International Federation of Accountants (IFAC). (2021). *Global Status Report on the Accountancy Profession*. New York: IFAC.
 13. International Labour Organization (ILO). (2021). *World Employment and Social Outlook 2021: The Role of Social Economy in Sustainable Development*. Geneva: ILO.
 14. Kristjansson, E. A., Gelli, A., Welch, V., & Greenhalgh, T. (2016). School Feeding for Improving the Physical and Psychosocial Health of Disadvantaged Students. *Cochrane Database of Systematic Reviews*, 4(2), 1–68.
 15. Lincoln, Y. S., & Guba, E. G. (2016). *Naturalistic Inquiry*. California: SAGE Publications.
 16. Mardiasmo. (2018). *Public sector accounting* [Akuntansi sektor publik]. Yogyakarta: Andi Offset.
 17. Ministry of Education Japan. (2019). *School Lunch Program Annual Report*. Tokyo: MEXT.
 18. Nordiawan, D. (2019). *Foundation and non-profit organization accounting* [Akuntansi yayasan dan organisasi nirlaba]. Jakarta: Salemba Empat.
 19. ugroho, D. A. (2020). Nutritious meal program and its impact on local economy in Indonesia. *Jurnal Ekonomi Sosial Indonesia*, 12(1), 45–58.
 20. Nowell, L. S., Norris, J. M., White, D. E., & Moules, N. J. (2017). Thematic Analysis: Striving to Meet the Trustworthiness Criteria. *International Journal of Qualitative Methods*, 16(1), 1–13.
 21. OECD. (2020). *Lifelong Learning and Adult Education in the Digital Era*. Paris: OECD Publishing.
 22. Rahman, F., & Dewi, S. (2021). The effect of nutrition-based school programs on learning performance and social participation in Indonesia. *Jurnal Pendidikan Ekonomi dan Bisnis*, 9(1), 56–68.
 23. Schuller, T., & Desjardins, R. (2019). *Investing in Skills: The Economics and Sociology of Learning*. Paris: OECD Publishing.
 24. Sekaran, U., & Bougie, R. (2019). *Research Methods for Business: A Skill-Building Approach* (8th ed.). United Kingdom: Wiley.
 25. Sujarweni, V. W. (2020). *Business and economic research methodology* [Metodologi penelitian bisnis dan

- ekonomi]. Yogyakarta: Pustaka Baru Press.
26. United States Department of Agriculture (USDA). (2021). *National School Lunch Program Annual Summary Report*. Washington DC: USDA.
 27. World Bank. (2021). *World Development Report 2021: Data for Better Lives*. Washington DC: The World Bank Group.
 28. World Health Organization (WHO). (2018). *Global Nutrition Policy Review 2018*. Geneva: WHO.
 29. Yamazaki, Y., & Kayes, D. C. (2020). An Experiential Approach to Learning in Accounting and Social Economy Education. *Journal of Education for Business*, 95(7), 465–475.